

# NEW LEGISLATION

COUNTY TREASURER'S ANNUAL CONFERENCE

AUGUST, 2017

## SB 128 - Regional Infrastructure

- ▶ Effective 4-28-17 and amends IC 4-4-11-0.4 for the Indiana Finance Authority to assume all powers, duties, and agreements relating to the infrastructure revolving loan fund established by IC 4-10-19. Currently the State Budget Agency oversees this fund.
- ▶ Adds a new subsection to IC 4-4-11-15.4(d) that applies to any political subdivision that has failed to pay when due the principal or interest arising from an agreement with the IFA. The fiscal officer of the county shall reduce the amount of revenues or property held, possessed, maintained, controlled or otherwise in the custody of the county by an amount equal to the amount of the political subdivision's unpaid obligation. The amount reduced will be paid to the IFA for payment of the unpaid obligation and the county will notify the political subdivision that the amount was reduced and remitted to the IFA.

## SB 128 - Regional Infrastructure

- ▶ Effective 4-28-17 and adds subsection (e) to IC 4-4-11-14.4 which provides for the order of funds to be used to pay the unpaid obligation of the political subdivision to the IFA for loans or agreements with the IFA.
  - ▶ First, reduce from local income tax distribution under IC 6-3.6-9
  - ▶ Second from any other revenues or other money or property that:
    - ▶ Is held, possessed, maintained, or controlled by, or otherwise in the custody of the county or a department, an agency or an instrumentality of the county and
    - ▶ Would otherwise be available for distribution to the political subdivision

## SB 152 - Local Redevelopment

- ▶ Amends IC 4-6-12-3 and is effective 7-1-17
  - ▶ Eliminates Blight Register
- ▶ Amends IC 4-6-12-9 and is effective 7-1-17
  - ▶ Adds additional fees collected by the Clerk to the State's homeowner protection fund. This fund currently receives a portion of the fee for recording a mortgage.
- ▶ Amends IC 36-7-14-19 - Adds some changes to Redevelopment Commission's authority to purchase land. For properties that are not for sale at auction; or have a total purchase price (including land and structures, if any) of at least \$25,000, the RDC may not pay more than average of two independent appraisals of fair market.

## SB 152 - Local Redevelopment

- ▶ Effective 7-1-17 and adds a new section 19.5 to IC 36-7-14 on the purchase of property by the Redevelopment Commission
- ▶ May purchase property from a willing seller that is:
  - ▶ Blighted
  - ▶ Unsafe
  - ▶ Abandoned
  - ▶ Foreclosed
  - ▶ Structurally damaged
- ▶ May purchase if the sale price is less than \$25,000 or property is being sold by another governmental agency - if the RDC has sufficient fund balance or issues an obligation from public funds.

## SB 152 - Local Redevelopment

- ▶ Section 19.5 continued: If the sale price is greater than \$25,000, the RDC must obtain 2 independent appraisals. Any agreement by the RDC to purchase under this subdivision for an amount greater than the highest appraisal or to purchase by making payments over 3 years or a pay a price that exceeds \$5,000,000 is subject to approval by the legislative body of the unit.
- ▶ All real property and interests in real property acquired by the redevelopment commission are free and clear of all governmental liens, assessments and other governmental charges, except for current property taxes, which must be prorated to the date of acquisition.

## SB 346 - Donation of Funds

- ▶ Amends IC 36-1-14-1 and is effective upon passage and adds a new subsection that is effective 4-21-17 for the donation of proceeds from the sale of a facility (hospital) to a nonprofit community foundation if the donation occurs after December 31, 2015. investment trusts established by a county prior to 1990 to hold the proceeds from the sale of the hospital.
  - ▶ DLGF may not lower the tax levy due to:
    - ▶ Donation of proceeds of money to a foundation
    - ▶ Distribution from the endowment to the unit
    - ▶ Return of donation to the **general fund**
- ▶ Adds a new section 4 to IC 36-1-14 regarding investment trust funds established by a county prior to 1990 to hold the proceeds from the sale of a hospital.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 and amends IC 6-1.1-11-3 to extend the deadline to file an application for an exemption. The current deadline to file an application for a deadline is April 1 of the year containing the assessment date, but the deadline may be extended up to three years from that date if:
  - ▶ The property on which the person seeking an exemption was exempt from taxation for the tax year immediately before the deadline in subsection (a); and
  - ▶ The person seeking the exemption would have been eligible for the exemption on the deadline set forth in subsection (a).
- ▶ Note, this does not extend the deadline for filing an appeal of the denial of an exemption.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 and amends 6-1.1-15.
- ▶ IC 6-1.1-15-1 is repealed and IC 6-1.1-15-1.1 is added as a new section.
- ▶ A taxpayer may appeal an assessment by filing a notice in writing, related to:
  - ▶ (1) The assessed value of the property
  - ▶ (2) The assessment was against the wrong person
  - ▶ (3) The approval, denial or omission of a deduction, credit, exemption, abatement or tax cap
  - ▶ (4) A clerical, mathematical, or typographical mistake
  - ▶ (5) The description of the real property
  - ▶ (6) The legality or constitutionality of a property tax or assessment.

## SB 386 - Property Tax Matters

- ▶ IC 6-1.1-14-1.1 (continued) - the taxpayer may appeal the assessed value of the property not later than
  - ▶ For assessments before January 1, 2019, the earlier of:
    - ▶ 45 days after the date on which the assessment notice is mailed by county; or
    - ▶ 45 days after the tax statement is mailed by the county treasurer
  - ▶ For assessments after December 31, 2018, the earlier of:
    - ▶ June 15 of the assessment year, in assessment is mailed before May 1 of assessment year
    - ▶ June 15 of the year in which the tax statement is mailed if notice of assessment is mailed after May 1
- ▶ The taxpayer may appeal an error in assessment under (2) through (6) not later than 3 years after the taxes were first due.

## SB 386 - Property Tax Matters

- ▶ IC 6-1.1-15-1.1 (continued) - An appeal under this section applies only to the tax year corresponding to the tax statement, unless action regarding a prior tax year is reflected for the first time in the tax statement.
- ▶ A taxpayer may not appeal under this section any error related to the following:
  - ▶ (1) The denial of a deduction, exemption, abatement, or credit if the authority to approve or deny is not vested in the county board, county auditor, county assessor or township assessor.
  - ▶ (2) The calculation of interest and penalties
  - ▶ (3) A matter under subsection (a) if a separate appeal or review process is statutorily prescribed.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 and adds a new section, 1.2 to IC 6-1.1-15 regarding an informal meeting between the taxpayer and the county or township assessor. At the meeting, the official and the taxpayer shall exchange information in order to facilitate understanding of the disputed issues.
- ▶ The official shall report on the results of the informal meeting. If the parties agree to a resolution, that should be stated on the report. If the meeting is not held or no resolution is reached, that shall be reported on the form.
- ▶ If the county board receives the report and agreed upon resolution, they will vote to accept or deny the agreed resolution.
- ▶ A hearing shall be scheduled within 180 days of the written notice. The hearing would be vacated if the board agrees to accept a resolution. The county assessor may assess a penalty of \$50 for failure to appear at hearing.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 and repeals IC 6-1.1-15-11 and IC 6-1.1-15-12 on refunds. Procedures for refunds are found in IC 6-1.1-26-3.1
- ▶ Adds a new section 12.1 to IC 6-1.1-15 on correction of errors.
  - ▶ (a) A county auditor shall correct errors in conformity with a determination of appeal by the county board, the board of tax review, DLGF or a court
  - ▶ (b) upon discovery, the county auditor will correct errors regarding description of property and identity of the taxpayer
  - ▶ (c) upon discovery, the auditor will correct errors regarding a tax cap, credit, exemption or deduction (subject to the approval of DLGF if applicable)
  - ▶ (d) upon discover, the auditor will correct errors regarding computation of taxes, penalties, delinquent taxes carried forward, or an overpayment, if approved by the county treasurer

## SB 386 - Property Tax Matters

- ▶ IC 6-1.1-15-12.1 ( continued) - A county auditor shall notify the taxpayer of a correction of error under (b), (c), and (d). If the correction of error results in a refund, the refund shall be applied under IC 6-1.1-26
- ▶ A taxpayer may challenge a county auditor's action under (b) or (c) as outlined in section 1.1 of this chapter.
- ▶ Except in accordance with subsection (a) on the determination by the county board, the board of tax review, DLGF or a court, an error corrected under this section may not be applied to tax years earlier than the immediate three prior years.
- ▶ IC 6-1.1-15-13 and IC 6-1.1-15-14 is repealed.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 and amends IC 6-1.1-22-8.1. IC 6-1-22 deals with the general procedures for property tax collection. Under IC 6-1.1-22-8.1(c) it now states that “The county treasurer **shall** mail or transmit the statement one (1) time each year **on or before April 15.**”
- ▶ Under IC 6-1.1-22-8.1(j) the form created by DLGF to implement electronic transmission on tax statements provided under subsection (h) must be filed by the taxpayer on or before March 15 with the county treasurer and county auditor.

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 - repeals IC 6-1.1-26-1 and replaces it with IC 6-1.1-26-1.1
- ▶ A person, including heirs, personal representatives, or successors may file a claim for a refund. If an appeal is filed under IC 6-1.1-15 the notice of appeal is treated as a claim for refund filed as of the date of final disposition.
- ▶ A claim for refund must be filed within the later of 3 years after the tax is paid or 3 years after the disposition of the appeal.
- ▶ A claim must state that a payment was made in excess of the taxes due
  - ▶ Disposition of appeal, proof of an error in penalties, interest or delinquent tax or proof of an overpayment by the claimant
- ▶ A taxpayer may not raise a claim that should be raised under IC 6-1.1-15
- ▶ A taxpayer is not entitled to a refund if a credit has been applied

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17 IC 6-1.1-26-2 is repealed and replaced by IC 6-1.1-26-2.1
- ▶ The county auditor shall approve or deny a claim for refund
- ▶ If the county auditor approves the claim, it is forwarded to the county treasurer and county assessor for approval or denial
- ▶ If the county auditor, treasurer and assessor approve the claim for refund, it is paid from general fund and interest shall be computed from the date on which the taxes were due or paid, whichever is later to the date on which the county auditor and county treasurer approve the refund.
- ▶ If the refund is denied, the auditor will send a notice to the claimant.
- ▶ The general fund is repaid during settlement in June or December of both, but no later than the December settlement

## SB 386- Property Tax Matters

- ▶ Effective 7-1-17 IC 6-1.1-26-3 is repealed and IC 6-1.1-26-3.1 is added
- ▶ If a determination in a review or appeal authorized under IC 6-1.1-15 results in an overpayment by the taxpayer during the same year to which the assessment appeal relates, the taxpayer is entitled to a credit in the amount of the overpayment on the next successive tax installment due in that tax year. After the credit is applied, the county auditor shall determine if a further amount is due and pay that further amount without a claim or an appropriation. If the taxpayer no longer owns the property on which the tax was assessed, the lawful claimant should receive a refund. If the credit is not applied or a refund is not paid, the taxpayer or lawful claimant may file a claim under section 1.1

## SB 386 - Property Tax Matters

- ▶ Effective 7-1-17. IC 6-1.1-26-4 is repealed and IC 6-1.1-26-4.1 is added. Subsection 4 had provided for review by the County Commissioners.
- ▶ This section applies to any refund resulting from an assessment appeal for an assessment date prior to 1-1-2020. If the resulting refund exceeds \$100,000 or more, the auditor may elect to apply credits in equal installments over 5 years. If the claimant no longer owns the property on which the appeal was filed, a credit is not applied and the refund may be paid in equal installments over a period of not more than five years.
- ▶ IC 6-1.1-26-5 is repealed
- ▶ IC 6-1.1-26-7 is added that if a determination is made by the court that an overpayment has occurred, the court must specify instructions to the county auditor and county treasurer on providing the relief.

## SB 386 - Property Tax Matters

- ▶ Effective July 1, 2017 and repeals IC 6-1.1-37-10.7 that had allowed a waiver for penalties due to a death in the immediate family of the taxpayer.
- ▶ Effective July 1, 2017 and repeals IC 6-1.1-37-11 that prescribed interest payments for when an assessment is decreased and a refund or credit is due.
- ▶ Effective July 1, 2017 and repeals IC 6-1.1-37-14 that allowed for a installment payment of credits over five years when the total amount owed to the taxpayer exceeded \$100,000.
- ▶ Effective 1-1-2000 (retroactive) for assessments dates between 1-1-2000 and 3-1-2013 for property that could have been exempted by a not-for-profit or the spouse of a deceased veteran who served prior to 11-12-1918. Prescribes procedures by which taxes, penalty and interest may be removed.

## SB 449 - Omitted Personal Property Audit

- ▶ Effective 7/1/17 and amends IC 6-1.1-36-12 on contracts for discovery of omitted property. Subsection (b) regarding the special non-reverting fund is amended to add that “Except as provided in subdivision (3)...the contract must specify a monetary threshold set by the county assessor and that when the money in that fund exceeds the threshold, the county auditor shall distribute the money in excess of the threshold to the appropriate taxing units in the county using the property tax rates of each taxing unit in effect at the time of the distribution.”
- ▶ Effective 7/1/17 and amends subsection (c) that the contract may not provide for payments under the contract that are based on increases in assessed value or revenue attributed to the discovery of undervalued or omitted property. Adds subsection (d) that the contract may not exceed three years.

## SB 455 - Tax Administration of Mobile Home

- ▶ Effective January 1, 2018 and amends IC 6-1.1-1-8.4 to add that a mobile home that is owned and held for sale or lease by the owner of the mobile home community is included in determining inventory.
- ▶ Effective January 1, 2018 and amends IC 6-1.1-1-9 on the definition of owner when a title document or affidavit is issued by BMV to state: “the owner of that property who designated as the grantee, buyer, or other equivalent”
- ▶ Effective January 1, 2018 and amends IC 6-1.1-2-4 to modify the definition on who is liable for taxes imposed. The person owning the mobile home assessed as personal property on the assessment date of a year is liable for the taxes imposed for that year on that property. Except for a mobile home assessed as personal property, the person holding, possessing, controlling or occupying any personal property is liable for the taxes.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Effective 1-1-18 and amends IC 6-1.1-7-3(a) to state that a person who places a mobile home or allows a mobile home to be placed on any land must report that fact to the assessor within 30 days. The prior statute required reporting within 10 days.
- ▶ Adds a subsection (b) for mobile home communities so that in addition to (a), if a sale or lease of a mobile home previously held as inventory occurs or if the status of a mobile home is changed to inventory by the person operating the mobile home community, they are required to report to the assessor within 30 days:
  - ▶ If applicable, notice of the sale or lease of the mobile home or change in status to inventory
  - ▶ The name of the owner as shown on the title of the mobile home
  - ▶ The Vehicle Identification Number of the mobile home

## SB 455 - Tax Administration of Mobile Homes

- ▶ IC 6-1.1-7-3(b) continued:
  - ▶ A copy of the title held by the owner of the mobile home at the time the entry is made, or if no title exists:
    - ▶ A petition filed with a court requesting an order by the court for the title of the mobile home, or
    - ▶ A bureau of motor vehicles affidavit of sale or disposal.
  - ▶ A copy of the most recent permit issued to the owner of the mobile home or issued under section 10 of this chapter, if applicable.
- ▶ The thirty day period commences the day after the day that the mobile home is placed on the land for both subsection (a) and (b)

## SB 455 - Tax Administration of Mobile Homes

- ▶ Effective January 1, 2018 and amends IC 6-1.1-7-10 on the movement of mobile homes and transfer of title. The BMV may not transfer the title or change the names in any manner, unless the owner or the owner's agent holds a valid permit to transfer the title that was issued by the county treasurer **and includes the county treasurer's embossed seal.**
- ▶ Subsection (d) now requires the person requesting the permit to move or transfer title to have a state issued title, a court order, or a BMV affidavit of sale or disposal.
- ▶ Also the statute now reads in subsection (g): "A county treasurer is not liable for the county treasurer's good faith effort to collect taxes that are due and payable for a mobile home. Good faith efforts include the refusal to issue a permit under subsection (d) until all property taxes that are due and payable for a mobile home are paid to the county treasurer."

## SB 455 - Tax Administration of Mobile Homes

- ▶ Effective 7-1-17 and adds a new section to IC 6-1.1-23 on provisions for collection of delinquent personal property taxes. The new section provides that a county treasurer may choose to use a new chapter, IC 6-1.1-23.5 to collect delinquent property taxes, penalties and collection expenses for a mobile home or chose to use IC 6-1.1-23. If elected to use 23.5, the county treasurer must continues to use those provisions until the delinquent taxes, penalties and collection expenses are collected or the mobile home is sold or otherwise disposed of.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Effective 1-1-18 and adds a new chapter, IC 6-1.1-23.5 for the collection of delinquent personal property taxes attributable to a mobile home.
- ▶ Section 2 adds definitions for County Executive, Substantial property interest of record and tentative auction list.
  - ▶ Substantial property interest of record means title to or an interest in a mobile home possessed by a person as evidenced by the certificate of title issued by the bureau of motor vehicles.
  - ▶ Tentative Auction list refers to a list prepared by a county treasurer under section 4 of this chapter and amended from time to time in the manner prescribed by the chapter.

## SB 455 - Tax Administration of Mobile Home

- ▶ Section 3 of this new chapter 23.5 specifies the collection expenses that can be charged to the delinquent taxpayer.
  - ▶ For making a demand by registered or certified mail \$8 or by some other means \$5.
  - ▶ For selling personal property, ten percent (10%) of the sale price.
  - ▶ For advertising a sale, the legal rates for advertising.
  - ▶ For transfer and storage of personal property, the actual expense incurred.
  - ▶ Other reasonable expense, including Title search, UCC search and reasonable attorney fees
  - ▶ Fees collected are remitted to the General fund. Costs are paid from the general fund without prior appropriation.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 4 of this new chapter, IC 6-1.1-23.5 specifies the requirements for preparing the tentative auction list to include taxpayers who:
  - ▶ Own a mobile home assessed as personal property that is located in the county and
  - ▶ Owe delinquent personal property taxes attributable to the mobile home that
    - ▶ First due and payable before January 1 of the year in which the tentative auction list is being prepared;
    - ▶ Exceed twenty-five dollars (\$25)
    - ▶ The county treasurer elects to collect using the procedures of this chapter.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 5 of this new chapter deals with the written demand served upon the taxpayer. The written demand may be served by certified mail, in person by the county treasurer or agent of the treasurer or by proof of certificate of mailing.
- ▶ The demand issued must include:
  - ▶ A statement that the taxpayer is delinquent in personal property taxes
  - ▶ The amount of the delinquent taxes
  - ▶ The penalties due on the delinquent taxes
  - ▶ The collection expenses
  - ▶ If not paid in 60 days the county may seek judgement
  - ▶ If judgement is entered, the mobile home may be sold at auction and the tentative date of the auction.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 6 of this new chapter deals with an installment agreement between the taxpayer and the county treasurer. The county treasurer may enter into an agreement with a taxpayer on the tentative auction list to pay the taxpayer's delinquent personal property, taxes, penalties and collection expenses in installments.
- ▶ Section 7 states that if the taxpayer pays in full the taxpayer's delinquent personal property taxes, penalties, and collection expenses that are attributable to the mobile home or enters into an agreement specified in section 6 before tentative auction date would removed the mobile home from the tentative auction list.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 8 allows the county executive to certify a mobile home as not suitable for tax sale after January 1 and before 60 days after the written demand. A separate notice is sent to each person with a substantial property interest of record for mobile homes not suitable for sale. The court will make the final determination.
- ▶ Section 9 requires the Treasurer to prepare notice of the auction. This includes an extensive list of what statements must be included in the notice.
- ▶ Section 10 describes the methods for publishing the notice and includes posting the notice; publishing the notice once and publishing a notice twice that includes a statement that the complete listing is available on the Internet web site and mail a notice to any party having substantial property interest of record.
- ▶ Section 11 addresses the request for information in an alternative form for the notices.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 12 specifies that a notice be mailed at least 21 days before the application of judgement. The notice is to be sent by certified mail, return receipt requested, and by first class mail to the owner and at least one owners if there are multiple owners at the last address of the owner as indicated on the assessors records.
- ▶ Section 13 specifies that on the day the application for judgment is ordered, the county treasurer will correct the tentative auction list and shall make and subscribe an affidavit as outlined in this section.
- ▶ Section 14 specifies that at least 15 days before the advertised date of the auction, the court shall examine the list. At least three days before the advertised date of the auction, the court will enter judgement. Procedures are outlined for written objections.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 15 describes the auction and application of proceeds received. The proceeds are to be applied:
  - ▶ (1) collection expenses
  - ▶ (2) payment of delinquent taxes and penalties
  - ▶ (3) payment of other tax delinquencies of the taxpayer
  - ▶ (4) payment of amounts owed to creditors have a security interest
  - ▶ (5) payments of any amounts owed to the owner of the mobile home community
  - ▶ (6) any balance to mobile home sale surplus fund

## SB 455 - Tax Administration of Mobile Homes

- ▶ Section 15 (cont.) The owner of record or purchaser under this chapter, may file a claim for money in the mobile home surplus fund. Any other person claiming the money in the surplus fund would need a court order to claim the funds. If an amount applied to taxes is later paid out of the county general fund to the purchaser due to the invalidity of the tax sale, all taxes should be reinstated and recharged to the tax duplicate. If a refund is made to the purchaser by reason of invalidity of the tax sale, the county auditor at the December settlement immediately following the refund shall deduct the amount of the refund from the gross collections of the taxing district in which the land lies and repay the county general fund.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Chapter 23.5 (continued) - Section 16 provides procedures when a purchaser fails to pay the bid. The civil penalty is 25% of the bid that is to be deposited into the general fund.
- ▶ Section 17 provides procedures if a mobile home is sold for less than the sum of the delinquent property taxes, penalties and collection expenses. The county treasurer will prepare information for the court and the court will authorize the removal of the unpaid amounts from the tax duplicate.
- ▶ Section 18 provides procedures when no bid is received. The county auditor shall prepare a certified statement of the actual collection costs and this amount will be added to the tax duplicate.
- ▶ Section 19 provides who is ineligible to purchase a mobile home under this chapter.

## SB 505 - County Recorder Matters

- ▶ Effective 7-1-17 and adds language to the statute for recording electronic documents.
- ▶ Effective 7-1-17 and replaces the fee schedule with a flat rate for recording documents and mortgages.
- ▶ Effective 7-1-17 and amends the process for selling bulk copies.

## SB 505 - Recorder Fees

- ▶ Effective 7-1-15
  - ▶ Recording deed or other instrument, other than mortgage \$25
  - ▶ Recording mortgage \$55
  - ▶ Pages larger than 8 ½ by 14 inches-first page \$25
    - ▶ Each additional page \$5 per page
  - ▶ Attesting to the release, partial release or assignment \$7 per transaction
    - ▶ Fee under subsection 1 \$25
  - ▶ Copies of records-pages smaller than 11 by 17 \$1 per page
  - ▶ Copies of records-pages larger than 11 by 17 \$5 per page
  - ▶ Acknowledgement/Certification \$5

## SB 505 - Memorandums

- ▶ Effective 7-1-15 and amends IC 36-2-11-20 to add that a memorandum of a contract as well as a memorandum of a lease may be recorded in lieu of the lease or contract if the memorandum is executed and acknowledged by the parties and contains:
  - ▶ The names of the **parties**
  - ▶ The term of the lease or **contract**
  - ▶ Any option of the lessee to renew or extend the lease or of the purchaser to **renew or extend the term of the contract**
  - ▶ The specific legal description of the real estate or a survey or plot plan authorized under subsection (i) showing the location of the **real estate**.

## SB 515 -Set Off of Refunds

- ▶ Effective 1-1-18 and amends IC 6-8.1-9.5 on the set-off of income tax refunds. It expands the definition of a claimant agency to include “a unit of local government that has an interlocal agreement with a clearinghouse established under section 3.5 of this chapter.” A unit of local government means a county, city, town, township, and any other political subdivision, commission or agency, including a school corporation.
- ▶ Effective 1-1-18 and amends IC 6-8.1-9.5 by adding a new chapter 3.5. The department of revenue may enter into a contract with a nonprofit entity that represents units of local government exclusively in Indiana to establish a clearinghouse. The purposes of the clearinghouse are outlined in this chapter. Only one clearinghouse may be registered with the department and the local unit of government must enter into an interlocal agreement with that clearing house.

## SB 515 - Set off of Refunds

- ▶ Effective 1-1-2018 and adds a new section, 3.7 to IC 6-8.1-9.5-3.7 that outlines the responsibilities of the local unit before they may submit the debt for a set off of refunds. This includes a written notice to the debtor, and holding an informal hearing with the debtor if debt is contested.
- ▶ Effective 1-1-18 and amends 6-8.1-9.5-10 to allow for a local collection fee not to exceed \$20. The fee is distributed to the clearinghouse.
- ▶ Effective 1-1-18 and amends IC 6-8.1-9.5-12 to add the local units to the priority of claims when there is more than one claimant agency.

## SB 539- Notaries

- ▶ Effective 7-1-17 and adds a new chapter to IC 33-42-0.5 which provides definitions. Repeals chapters 1,2,3,4, and 8.
- ▶ Chapter 9 - Notarial Acts
- ▶ Chapter 10 - Official Seals and Stamping Devices
- ▶ Chapter 12 - Commission Requirements and Qualifications
- ▶ Chapter 13 - Notary Discipline
- ▶ Chapter 14 - Notary Fees
  - ▶ Includes the provision that a public official or deputy or appointee of the public official may not charge for services of a notary in connection with official business of that office.

## SB 539 - Notaries

- ▶ Effective 7-1-17 and adds new chapters:
- ▶ Chapter 15 Apostilles
- ▶ Chapter 16 Miscellaneous Provisions

## HB 1002 - Transportation Infrastructure

- ▶ Effective 7-1-17 and amends IC 6-3.5-4-5 (Excise Surtax) and IC 6-3.5-5-5 (Wheel Tax) to extend the deadline to adopt an ordinance from July 1 to September 1 to that would apply to the following year of collection. Also amends IC 6-3.5-4-6 (Excise Surtax) and IC 6-3.5-5-8 (Wheel tax) that to impose, rescind or change the rate or amount of the surtax or wheel tax, the county must include a copy of the letter from INDOT approving the county's transportation asset management plan along with a copy of the ordinance to BMV. The deadline to provide the fiscal body an estimate of the revenues from the surtax and wheel tax is moved back to October 1.
- ▶ Effective 7-1-17 and amends IC 8-14-1-4 to add " For funds distributed to a county from the motor vehicle highway account after June 30, 2017 the county shall use fifty percent (50%) of the money for the construction, reconstruction, and maintenance of the county's highways.

## HB 1002 Transportation Infrastructure

- ▶ Effective 3-23-16 and amends IC 8-23-30-3 for the Community Crossing grants. The local match may come from any money the local unit is authorized to use for a local road or bridge project as well as special distributions of local income tax and money in the unit's rainy day fund.
- ▶ Effective July 1, 2017 and amends IC 8-23-30-6 for the required local match percentages to allow counties with a population under 50,000 and towns with a population under 10,000 to only need a 25% match of funding. For all other units, the percentage remains at 50%.
- ▶ Effective July 1, 2017 and amends IC 8-23-30-7 to allow that if multiple units, including any combination of cities, towns and counties, apply jointly for a matching grant for a project that extends across multiple jurisdictions, they may aggregate the maximum amounts determined by INDOT.

## HB 1009 - Issuance of Bonds

- ▶ Effective 7-1-17 adds a new chapter, 11.5 to IC 5-1 on bonds and other obligations. This replaces IC 5-11-1-4 on the requirements to file a GAAP report before issuing bonds on a phase in schedule. For all counties that have a population of greater than 100,000 and all municipalities with a population greater than 75,000 bonds may not be issued after June 30, 2020 unless the county or municipality had for its preceding budget year prepared an annual financial report using the modified accrual basis of accounting in accordance with GAAP.

## HB 1031 State Examiner Findings

- ▶ Effective 7-1-17 and adds a new section, 1.5 to IC 5-11-5 that if an examination report for an audited entity failed to observe a uniform compliance guideline established under IC 5-11-1-24 or failed to comply with a specific law, the audited entity is required to take action to address the audit finding.
- ▶ If a subsequent examination report of the audited entity contains the same or a substantially similar finding to the finding contained in the previous examination report, the officer shall file a corrective action plan as a written response to the report.

## HB 1031 - State Examiner Findings

- ▶ The state board of accounts shall create guidelines for use by an audited entity to establish a corrective action plan. The finding must be corrected within 6 months.
- ▶ After successful completion of the corrective action plan, the audited entity must notify SBOA. SBOA shall review each corrective action plan. If the plan is not implemented or the issue is not corrected within 6 months, SBOA will prepare a memorandum with a summary of the report finding, the corrective action plan, the manner in which the finding was not addressed and a recommended course of action.

## HB 1031 - State Examiner Findings

- ▶ The memorandum is presented to the Audit Committee established by IC 2-5-1.1-6.3. If the audit committee determines further action should be taken, they may do any of the following
  - ▶ Request a written statement from the public officer of the audited entity
  - ▶ Request the personal attendance of the public officer at the next audit committee meeting
  - ▶ Request that the public officer take corrective action
  - ▶ Notify the fiscal body of the audited entity and the DLGF the audited entity failed to observe a guideline established under IC 5-11-1-24(a) or a specific law and a recommendation which shall be posted on the IGA website.
  - ▶ Refer for investigation or prosecution for a violation of IC 5-11-1-10 or 5-11-1-21

## HB 1031 - State Examiner Findings

- ▶ Audit Committee actions (continued)
  - ▶ Recommend that legislation be introduced in the general assembly to amend any statute under which an audited entity is found to be noncompliance
  - ▶ Recommend that the state board of accounts examine the audited entity within the calendar year following the year in which the entity was required to file a corrective action plan.

## HB 1043 - Petition and Remonstrance

- ▶ Effective 1-1-18 and amends IC 6-1.1-20-1.1 on the definition of a controlled project. The definition now establishes new threshold amounts that are phased in 2017 and 2018. Starting in 2019, DLGF will publish the threshold amount.
- ▶ Effective 7-1-17 and amends IC 6-1.1-20-3.1 on the petition and remonstrance process for a controlled project. There are new threshold amounts for schools and for other units under which the petition and remonstrance process applies.
- ▶ Adds new requirements for public hearings and information that needs to be supplied to the public by the unit that is proposing the ordinance for the preliminary determination. This information includes the units total debt, new potential debt levy and comparing debt to gross AV of the unit.

## HB 1043 - Petition and Remonstrance

- ▶ Effective 7-1-17 and amends IC 6-1.1-20-3.1 (continued)
- ▶ The voters registration office must still make a determination that each person who signed is a registered voter, but may stop the process when they have determined that at least 525 persons who signed are registered voters.
- ▶ If the Voter's Registration office is not able to determine that there are 525 individuals signed as registered voters, the list is turned over to the auditor's office to determine if anyone who signed as a registered voter but was determined not to be, is an owner of property within the political subdivision and anyone who signed as an owner of property does own property within the political subdivision.
- ▶ There is a process for a person that resides in the political subdivision to petition DLGF if they feel that a controlled project was divided to avoid the petition and remonstrance process.

## HB 1043 - Public Question

- ▶ Effective 7-1-17 and amends IC 6-1.1-20-3.5 on referendums and also adds new thresholds phased in over 2017 and 2018 for the determination of when a referendum process is required. It also adds an additional clause that the sum of all controlled projects for a 365 day period must be considered in the determination.
- ▶ Also adds new requirements for public hearings and the information that needs to be provided to the citizens.
- ▶ Adds a new time period for which a new public question may not be submitted to the voters if a public referendum is defeated if a petition is submitted to the Auditor of 500 persons who are either owners or registered voters or 5% of the registered voters, requesting a shorter time period before a new public question may be submitted to the voters.

## HB No. 1129 - Local Income Tax

- ▶ Effective 7-1-17 amends IC 6-3.6-2-14 which is the definition of public safety to add law enforcement training to the definition of public safety.
- ▶ Effective 7-1-17 amends IC 6-3.6-3-2 on actions by ordinance or resolution. The new law states that DLGF shall notify the submitting entity within 30 days after submission whether they have received all of the necessary information. It goes on to state that final action is not approved for a new tax or amendment of an existing tax until DLGF has received the required information.
- ▶ Effective 1-1-17 amends IC 6-3.6-3-7 and requires a local income tax council to also provide notice of a public hearing on a proposed ordinance to all taxing units in the county at least ten days before the hearing.

## HB 1129 - Local Income Tax

- ▶ Effective 1-1-17 and amends IC 6-3.6-3-7.5 for notices provided by the county council and adds the requirement to notify each taxing unit in the county on the date and time of a public hearing for a proposed ordinance on local income tax at least 10 days before the hearing is scheduled.
- ▶ Effective 1-1-17 and amends IC 6-3.6-6-8(a) to state that funding for a PSAP under a former tax continues to apply under this chapter until it is rescinded or modified. If funding was not dedicated for a PSAP, the adopting body may adopt a resolution providing that all or part of the additional revenue allocated to public safety is to be dedicated for a PSAP. The resolution first applies in the following year and then thereafter until it is rescinded or modified. Funding dedicated for a PSAP shall be allocated and distributed as provided in IC 6-3.6-11-4.

## HB 1272 - Publication of Notices

- ▶ Effective 7-1-17 and amends IC 5-3-1-2. A new subsection is added that if a notice is submitted to the newspaper in a timely manner and the newspaper does not refuse to publish the notice but subsequently fails to publish the notice and within the same period required for publishing, the printed notice is posted in three prominent places in the county and on the county's internet web site in a location that is easily accessible and identifiable, the notice is sufficient.
- ▶ Effective 7-1-17 and amends IC 36-9-23-33 and now allows a utility board to write off a fee or penalty that is less than \$200.

## HB 1295 - Disposal of Real Property

- ▶ Effective 7-1-17 and amends IC 36-1-11 on the disposal of real property. Currently the sale of real property having an appraised value of \$50,000 or more must be approved by the fiscal body. Under the new law, the fiscal body may choose by adopting an ordinance to increase that threshold amount to an amount greater than \$50,000.
- ▶ Effective 7-1-17 and also amends IC 36-1-11-5 which allows a disposing agent to offer property to an abutting landowner if the property is appraised at less than \$15,000 now allows the fiscal body to pass an ordinance raising the threshold above \$15,000.

## HB No. 1450 - Property Tax Matters

- ▶ Effective 6-30-17 and amends IC 5-14-3.8-3.5
  - ▶ Only applies to contracts entered into after June 30, 2016
  - ▶ The political subdivision is to upload a digital copy of the contract one time, if the total cost of the contract exceeds \$50,000.
  - ▶ Applies to all contracts for any subject, purpose, or term except that a political subdivision is not required to upload an employment contract with an employee, but would upload a collective bargaining contract.
  - ▶ If a political subdivision enters into a contract that is not reasonably expected to exceed \$50,000 and later determines that it does exceed \$50,000 the contract must be uploaded within 60 days after that determination.
  - ▶ Signatures may be redacted or obscured.

## HB No. 1450 - Property Tax Matters

- ▶ Effective 7-1-17 and amends IC 6-1.1-37 to add a new section, 15 to allow the county treasurer and the county auditor, to implement a policy to waive, negotiate or settle penalties that have accrued on delinquent property taxes imposed by the county.
- ▶ A negotiated agreement or a settlement agreement must be in writing and between the county auditor and county treasurer and the taxpayer or taxpayer's authorized representative. After concluding the agreement, the county auditor shall provide a copy of the agreement to the taxpayer or taxpayer's authorized representative.
- ▶ The county auditor who waives, negotiates or settles penalties under this subsection must document the action in the manner prescribed by DLGF and provide the documentation to DLGF and SBOA upon request.

## HB 1450 - Drainage Law

- ▶ Effective 7-1-17 and amends IC 36-9-27-85 on assessments for construction and reconstruction projects. Subsection (c) is amended to state that the county auditor shall not assess the 10% interest upon payments deferred beyond one year for a project for which a construction loan was obtained under section 97.5.
- ▶ Effective 7-1-17 and amends IC 36-9-27-97.5 now requires a construction loan fund to be established for construction/reconstruction project. All assessments received would be deposited to this fund. The repayment of the loan would come from this fund. Any balance remaining after the load is paid would be transferred to the general drain improvement.

## HB 1470 - Government Data

- ▶ Effective 7-1-17 and adds a new chapter to 2-5 on legislative agencies and study committees. The new chapter, 1.7 is on access to government information by the General Assembly. A county would be included in the definition of governmental entity for this chapter. "A governmental entity shall provide the legislative services agency with information requested by the legislative services agency not later than 30 days after receiving the request. However, immediately before and during a session of the general assembly, a governmental entity shall work with the legislative services agency to provide information as soon as practicable in less than the thirty days, as needed to accommodate the legislative schedule.

## HB 1491 - Excise Tax

- ▶ Effective 4-28-17 and amends IC 6-3.5-4-1 and changes titles of vehicle excise tax. Annual license tax is now called vehicle excise tax. Surtax is now called county vehicle excise tax or municipal vehicle excise tax.
- ▶ Effective 7-1-17 and amends IC 6-6-11-17, adds IC 6-6-11-17.5 and repeals IC 6-6-11-18. IC 6-6-11 is the chapter that covers boat excise. Under the new statute, a person may claim a credit from BMV when they sell or otherwise dispose of a boat and if the credit is not used within 90 days after the sale, and the unused credit is at least \$4, BMV will refund the credit after withholding a \$3 processing fee. The new section provides the procedures for claiming a credit or refund. And the repeal of section 18 means that the county auditor no longer provides a refund for a boat that has been destroyed.

## SB 1496 - Alcohol Permits

- ▶ Effective 5/2/17 and amends IC 7.1-3-21-15 which deals with restrictions on issuance of permits for a delinquency in payment of taxes. This statute now requires the property tax clearance Form 1 to have an embossed seal from the county treasurer.
- ▶ Under IC 7.1-3-21-15(d) it now states that: “The commission shall not issue a new wholesaler, retailer, dealer, or other permit of any type if the applicant: (1) has not paid all of the applicant’s property taxes under IC 6-1.1 and innkeeper’s tax under IC 6-9 that are due; (2) is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; (3) is on the most recent tax warrant list supplied to the commission by the department of state revenue; or (4) does not provide the commission with property tax clearance Form 1 with an embossed seal from the county treasurer.”

## HB 1536 - Tax Sale Certificate

- ▶ Effective 7-1-17 and amends IC 6-1.1-24-9 on assignment of a tax sale certificate. Currently, the county executive has the authority to assign a certificate of sale to any political subdivision and if so assigned, the period of redemption is 120 days after the date of the assignment. This bill adds the provision that, that the assignee must transmit the notices required under IC 6-1.1-25-4.5 not later than 90 days after the date of assignment. If the real property is not redeemed during the redemption period, the assignee may petition the court not later than 90 days after the expiration of the period of redemption.